

## **Assembly Joint Resolution No. 37**

### **RESOLUTION CHAPTER 72**

Assembly Joint Resolution No. 37—Relative to the Export-Import Bank of the United States.

[Filed with Secretary of State June 24, 2014.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AJR 37, Muratsuchi. Export-Import Bank of the United States.

This measure would urge Congress to support legislation reauthorizing the Export-Import Bank of the United States.

WHEREAS, The Export-Import Bank of the United States (Ex-Im) is the official export credit agency of the United States and exists for the purposes of financing and insuring foreign purchases of United States goods for customers unable or unwilling to accept the credit risk; and

WHEREAS, The mission of the Ex-Im is to create and sustain United States jobs by financing sales of United States exports to international buyers; and

WHEREAS, The Ex-Im is the principal government agency responsible for aiding the export of American goods and services, and thereby creating and sustaining United States jobs, through a variety of loan, guarantee, and insurance programs for small and large businesses; and

WHEREAS, The Ex-Im has supported more than \$400 billion in United States exports in the past 70 years and helps to cover critical trade finance gaps by providing loan guarantees, export credit insurance, and direct loans for United States exports in developing markets where commercial bank financing is unavailable or insufficient. In Fiscal Year 2012, Ex-Im financing of United States exports exceeded \$35 billion, assisting more than 3,400 United States companies and supporting approximately 255,000 export-related American jobs; and

WHEREAS, The Ex-Im is a self-sustaining agency, which operates at no cost to the taxpayer and, between the 2008–09 to 2011–12 fiscal years, inclusive, the Ex-Im has generated \$1.6 billion in excess revenue for United States taxpayers; and

WHEREAS, The Ex-Im enables United States companies large and small to turn export opportunities into sales that help to maintain and create in the United States jobs and contribute to a stronger national economy. On average, more than 85 percent of the Ex-Im's transactions support United States small businesses; and

WHEREAS, Exports are particularly important to the California economy as California is currently ranked second in exports among all states. If California's manufacturing base is to grow, we must continue to expand

our ability to export goods from California facilities. Given the key role the Ex-Im plays in facilitating export sales, failure to reauthorize it would be devastating to existing industry and to those that we hope to create in the future; and

WHEREAS, Over the past five years, the Ex-Im has assisted more than 900 California companies to export their products. Nearly 200 of those companies are women or minority owned and 668 are small businesses. These companies export their products and services around the globe totaling more than \$19 billion in sales. Fifty-two of the 53 congressional districts in California had companies benefit from the Ex-Im loans; and

WHEREAS, A reauthorization of the Ex-Im is critical to the ability of many United States exporters to compete on a level playing field in a commercial market where current and future competitors continue to enjoy aggressive support from their countries' export credit agencies; and

WHEREAS, A failure to reauthorize the Ex-Im would amount to unilateral disarmament in the face of other nations' aggressive trade finance programs that favor their domestic companies over American companies; and

WHEREAS, Economic growth depends on increasing exports from both small and large manufacturers and service providers in California and reauthorization means support for California exports and California jobs; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature urges Congress to support legislation reauthorizing the Export-Import Bank of the United States; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, and to each Senator and Representative from California in the Congress of the United States.